

The Honorable Lyndon B. Johnson
 Chairman, Preparedness Subcommittee
 Committee on Armed Services
 United States Senate
 Washington 25, D. C.

Dear Senator Johnson:

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Your letter of 15 February 1952, relating to the CIA unclassified personnel pool, is at hand. Allegations almost identical with those of your informant came to my attention in the first week of January, and I had an immediate inspection of the operation of this pool made by my inspector general. The facts are as follows:

1. We do frequently hire personnel and put them on the payroll pending a completion of their clearance. It costs us approximately \$160 to make a security clearance check and it is obviously wasteful to make such a check and then discover the person is not available for hiring because of having taken another job. To meet this dilemma, we established the unclassified pool. The average length of stay in the pool during the months of December and January was under 30 days.
2. There is no truth in your informant's statement that almost no work is done at the pool. The personnel there do work for other offices of this Agency in such volume that for several months the pool has been substantially self-supporting. A member of your staff could readily check this by dropping in unannounced to observe the work which is being done. The pool headquarters is located at and any properly accredited representative of your staff will be welcome there at any time.

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You will be interested to know that our Director of Training reports that it is impossible to install any training program at the pool because personnel there are so completely occupied with the work projects, referred to above.

Sincerely,

Walter B. Smith
 Director

WLPforzheime/blc

Rewritten: 0/DCI:JSE/leb 22 February 1952

Approved For Release 2003/03/28 : CIA-RDP80R01731R001600060108-4

1-Admin Files (w/basic); 1-IG

Official

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MEMORANDUM TO: The Director	
Request signature.	
WALTER REID/WOLF Deputy Director (Administration)	
The attached letter was prepared by Mr. Heddon.	
Noted by DCI 2/25	
20 Feb 52 (DATE)	

FORM NO. 10, 101 OCT 1950

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CENTRAL INTELLIGENCE AGENCY
WASHINGTON 25, D. C.

20 February 1952

MEMORANDUM FOR: DEPUTY DIRECTOR/ADMINISTRATION

SUBJECT: Letter to Senator Lyndon Johnson regarding CIA
Personnel Pool

1. I do not like the suggested reply to Senator Johnson. His letter makes two points:

- a. That we hire personnel and put them on the payroll at once pending clearance.
- b. That these employees stay in the pool often as long as six months with full pay.

Obviously, what he is questioning is the expense.

2. The proposed reply is not responsive to this question. I suggest instead something like the following:

"Dear Senator Johnson:

Your letter of 15 February 1952, relating to the CIA unclassified personnel pool, is at hand. Allegations almost identical with those of your informant came to my attention in the first week of January, and I had an immediate inspection of the operation of this pool made by my inspector general. The facts are as follows:

1. We do frequently hire personnel and put them on the payroll pending a completion of their clearance. If we did not do this to some extent, we would find it impossible to obtain personnel, particularly at the clerical levels. Many such people simply will not agree to take a job 60 or 90 days hence and keep that agreement. Instead, they get another job. It costs us approximately \$135-\$140 to make a security clearance check on each individual, and it is obviously wasteful whenever such a check is made on a person who is then not hired or is not available for hiring because of having taken another job. To meet this dilemma, we established the unclassified pool and, when we cannot hold a person available any longer

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without putting them on the payroll, we take them into this pool even though the clearance has not been finally accomplished. The average length of stay in the pool during the months of December and January was under 30 days. My inspector did find that there were some cases where people had been brought to the pool by eager recruiters somewhat sooner than was necessary to hold the person to our employment. Renewed orders went out to all personnel recruiters immediately, emphasizing the importance of bringing no one on board until clearance was completed except in cases where it was impossible otherwise to maintain the availability for employment of the person.

2. At the same time, a study was undertaken to accelerate the time necessary for security clearances. You will appreciate that in a small minority of cases, where the preliminary steps of clearances look entirely satisfactory, a last minute fact or a final interview with a developed contact brings to light facts affecting security clearances which send us out on an entirely unexpected course of investigation and prolongs greatly beyond the normal the time necessary for a final security clearance decision. In some cases, people have been retained in the pool substantially longer than the average.

I believe the steps we have taken, referred to above, will substantially eliminate such cases.

3. There is no substantial truth, however, in your informant's statement that almost no work is done at the unclassified pool. We have been assigning to this pool unclassified work for offices of this Agency in such volume that for several months the pool has been substantially self-supporting. The pool is located at

[redacted] and, if you are interested, I would suggest that you have a representative of your staff drop in unannounced to observe the activity of the personnel there.

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[redacted] has been informed that any properly accredited representative of your staff may be shown around the pool at any time. My own inspector has made three unannounced visits to the pool at different hours of the day within the last 60 days and has reported substantially all hands to be busily engaged in work projects or attending training classes.

It is my belief that it would be very valuable to this Agency to put every new employee through approximately ten working days of testing and training before assigning such employee to permanent duty within the Agency. A study is currently in progress to determine the feasibility of such a program. You will be interested to know that our Director of Training reports that it is impossible to install any training program at the pool now because personnel there are so completely occupied with the work projects, referred to above.

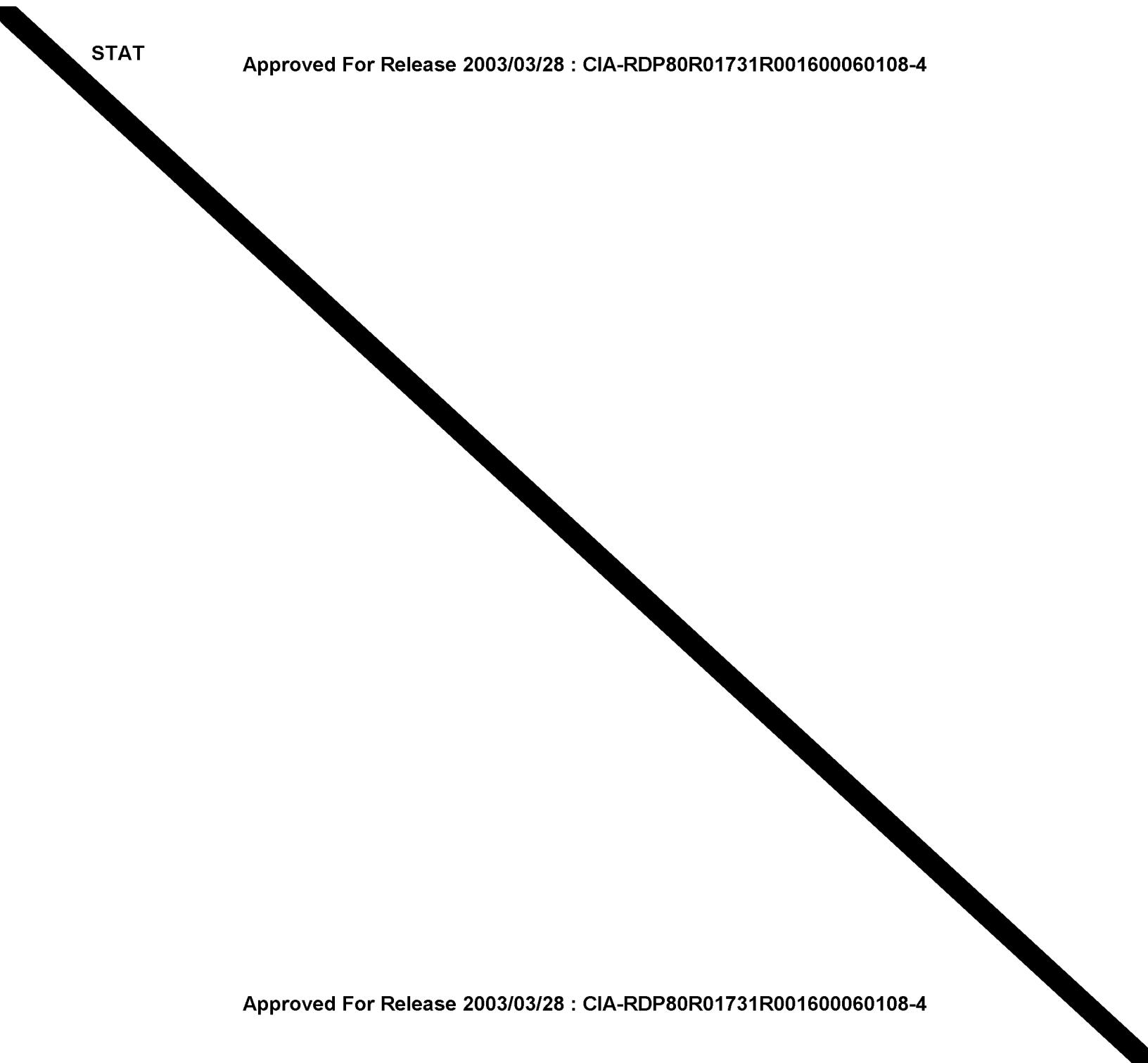
Sincerely,"

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[redacted]
Stuart Hedden
Inspector General

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OFFICIAL ROUTING SLIP

TO		INITIALS	DATE
1	<i>M. R. Johnson</i>		
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APPROVAL INFORMATION SIGNATURE
 ACTION DIRECT REPLY RETURN
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 CONCURRENCE RECOMMENDATION FILE

REMARKS: *Concur in your draft
of memo to Sen Johnson
re: Stew pool.*

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